

# CONSUMER REPORT



STATE SENATOR 13th District

## JOHN PAPPAGEORGE

ADDRESS: P.O. Box 30036, Lansing, MI 48909-7536

PHONE: (517) 373.2523 • TOLL-FREE: (877) SEN.13TH • FAX: (517) 373.5669

E-MAIL/WEBSITE: [www.SenatorJohnPappageorge.com](http://www.SenatorJohnPappageorge.com)

### CONSUMER PROTECTION WEEK — MARCH 2-8, 2008

Consumer protection and safety is at the top of the list of Senate action. Learn about some of the issues in this interactive report. Access the comprehensive resource guide to help protect your family.



#### Pappageorge supports bills targeting mortgage crisis

Michigan has one of the highest foreclosure rates in the country. To help prevent future losses, the Senate has taken swift action to pass new mortgage protections.

Under **Senate Bills 826-833** and **Senate Resolution 119**, mortgage loan officers would be required to register with the state, meet education requirements, and undergo background checks. Currently, loan officers don't need licensing, training or oversight to do business in Michigan, and that has left some homeowners victimized by unqualified, even unscrupulous, lenders.

**Senate Bills 342-343, 356, and 432** would protect homeowners by prohibiting mortgage professionals from coercing appraisers to manipulate the value of a property. It also prohibits appraisers from developing an appraisal on a client's precondition about the outcome. Michigan has been named one of the "hot spots" for mortgage and deed fraud by the FBI.

**TIP:** Michigan homeowners facing mortgage problems can call the MSHDA Foreclosure Prevention Hotline at 1-866-946-7432.

#### Senate bill jumpstarts expanded drug-comparison website.

Legislation passed by the Senate helped jumpstart an expansion of a state website listing prices for the most commonly used prescription drugs in Michigan ([www.michigandrugprices.com](http://www.michigandrugprices.com)).

People can now search and compare prices for up to 150 prescribed drugs, as called for in **Senate Bill 525**, rather than the 30 drugs previously listed. The bill also requires the site to post a toll-free number that people can call for information on prescription drug programs, including free and discounted programs. SB 525 has been sent to the House for consideration.

Prescription drugs are an important part of good health care. I supported this bill so seniors and families can save money on the medications they depend on.



**TIP:** Helpful information is also available at [www.michigan.gov/ag](http://www.michigan.gov/ag). Click on Consumer Alerts on the right sidebar and scroll down to "Are You Paying Too Much For Your Prescription Drugs? Shop Around and Find Out!"



## Pappageorge backs legislation to fight identity theft

Millions of people fall victim to identity theft each year, but new laws will help Michigan residents keep personal information safer. Public Acts 53-58 (**Senate Bills 298, 299, 301, 303** and **House Bills 4517, 4519**) allow the register of deeds to remove or block out all or part of a Social Security number on copies of public documents such as land titles, recording of deeds and mortgages. There is no reason the numbers should remain on copies provided to the public.

**TIP:** Remember to destroy or shred anything with your Social Security number on it before you throw it away. Never provide your Social Security number over the Internet or telephone. Learn more at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft).

## Full value of gift cards protected

Have you ever forgotten or misplaced a gift card, only to learn when you find it later that it's not worth as much as you thought? **Senate Bills 387-388** would limit the restrictions retailers can put on gift cards.

The legislation prohibits inactivity fees. Consumers would have up to five years to spend gift cards. After five years, any balance on the card would revert back to the state's unclaimed property division.

Multi-store cards bearing the VISA, AmEx or Mastercard logos are exempt.

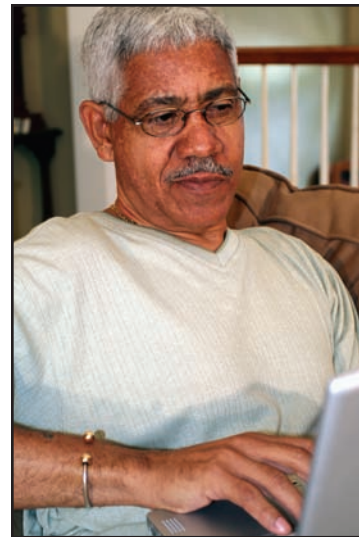
**TIP:** The state of Michigan holds millions of dollars in lost or forgotten assets from dormant bank accounts, uncashed checks, valuables in safe deposit boxes and stock certificates. Find out if you have unclaimed property at [www.michigan.gov/treasury](http://www.michigan.gov/treasury).

## Pappageorge supports "good builder" legislation

Complaints about building work are among the most common consumer complaints received by the Attorney General's Office. Public Acts 155-158 (**Senate Bills 450-453**) help protect consumers from fraudulent contractors and give them greater confidence in those they hire.

The new laws make it illegal to work as a builder without a license and give the state the authority to go after unlicensed builders.

**TIP:** The state of Michigan licenses various professions. Search for occupations licensed by the Bureau of Commercial Services at <https://www2.dleg.state.mi.us/colaLicVerify/>.



## Senate bills help consumers freeze thieves out

Identity theft is a multi-billion dollar "industry," costing consumers \$5 billion each year. **Senate Bills 75 and 340** would help protect people against this crime by allowing consumers to put a security freeze on their credit report.

A security freeze prohibits a consumer reporting agency from releasing the consumer's credit report without express consent. By freezing access to sensitive credit information, consumers are able to stop thieves from getting credit in their names and opening new, unauthorized accounts.

The bills have passed the Senate and await action in the House.

**TIP:** It's a good idea to obtain a copy of your credit report once a year to check that only the accounts you've opened are listed. Go online to [www.annualcreditreport.com](http://www.annualcreditreport.com) or call toll-free 1-877-322-8228.



## Pappageorge supports ban on toxic toys

The recall of tens of millions of toys this past year has left many parents anxious about the safety of their children's favorite playthings. Legislation recently signed into law should help ease those concerns.

Public Act 159 (**Senate Bill 174**) bans the sale of toys with a lead content of 0.06 percent or more, the standard used by the U.S. Product Safety Commission. Other new laws ban the sale of lunch boxes and children's jewelry that contain lead.

Lead and other toxic substances can cause health problems, even death, if ingested. These new laws help parents protect their children by keeping such products off the shelves.

**TIP:** Stay up-to-date on the latest Toy Hazard Recalls at [www.cpsc.gov](http://www.cpsc.gov).



## Pappageorge backs life-saving bills

Thousands of patients in Michigan received life-saving organ and tissue transplants last year, yet thousands more are still waiting.

Medical advances have rendered many of our organ donation laws obsolete. **Senate Bills 710-715** would revise Michigan's outdated laws.

I supported this legislation to remove the roadblocks to those in need, and increase the opportunities for people to donate and save lives. The bills have passed the Senate and await action in the House.

**TIP:** More than 1 million people have registered at Michigan's Organ Donor Registry. More information is available at [www.michigan.gov/sos](http://www.michigan.gov/sos).



## New laws enhance food safety

The updated Michigan Food Law puts more teeth in food safety protection. Public Acts 113-114 (**Senate Bill 595, House Bill 4956**) increase the rules on food preparation to help prevent the spread of food-borne illnesses. Among other provisions, the new laws require each food establishment to have an employee formally trained in food safety and sanitation.

Michigan's food law helps ensure food safety in 60,000 businesses, including grocery stores, restaurants, food distributors and school cafeterias.

**TIP:** Find out about food recalls involving products that have potentially been distributed in Michigan at [www.michigan.gov/mda](http://www.michigan.gov/mda).

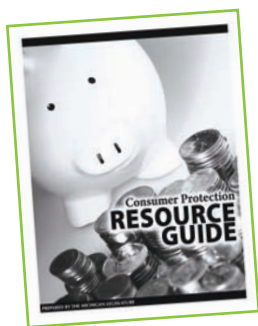


## CONSUMER PROTECTION RESOURCES

Keep this quick guide to helpful phone numbers and websites handy.

- For advice on avoiding consumer scams and rip-offs and other consumer news, visit the Federal Trade Commission website at [www.ftc.gov](http://www.ftc.gov). File a complaint online or call 1-877-FTC-HELP.
- Visit the consumer section at [www.insurancefraud.org](http://www.insurancefraud.org) to learn about insurance scams and how to avoid them.
- Learn how to protect your personal information, and manage your money better at [www.mymoney.gov](http://www.mymoney.gov).
- Get practical tips to guard against Internet fraud at [www.OnGuardOnline.gov](http://www.OnGuardOnline.gov).
- Visit <http://postalinspectors.uspis.gov> to learn about mail fraud and theft.
- Stay informed about product safety news at the Consumer Product Safety Commission website at [www.cpsc.gov](http://www.cpsc.gov). Or call 1-800-638-2772.
- Access the “one-stop shop” for U.S. government recalls at [www.recalls.gov](http://www.recalls.gov).
- Eliminate most telemarketing calls. Sign up for the National Do-Not-Call Registry from your home phone at 1-888-382-1222 or online at [www.donotcall.gov](http://www.donotcall.gov).
- Read about the latest Internet schemes identified by the FBI and the National White Collar Crime Center at [www.ic3.gov/](http://www.ic3.gov/).
- Get the facts on how to invest wisely and avoid fraud at [www.sec.gov/investor/shtml](http://www.sec.gov/investor/shtml).
- Stop unsolicited prescreened credit card offers. Call 1-888-5OPT-OUT (1-888-567-8688).
- Monitor your credit report on a regular basis to make sure only the accounts you’ve started are listed. To order your free annual credit report, call 1-877-322-8228 or go online to [www.annualcreditreport.com](http://www.annualcreditreport.com).
- Check out a business or charity at the Better Business Bureau of Western Michigan website at [www.westernmichigan.bbb.org](http://www.westernmichigan.bbb.org). Or call 616-774-8236. (BBB of Detroit & Eastern Michigan website at [www.easternmichiganbbb.org](http://www.easternmichiganbbb.org). Or call 248-644-9100.)
- Having trouble paying your mortgage? Find information at [www.federalreserve.gov/pubs/foreclosure](http://www.federalreserve.gov/pubs/foreclosure) or call the MSHDA Foreclosure Prevention Hotline at 866-946-7432.
- For help in deciphering monthly telephone charges, access the Federal Communications Commission (FCC) consumer bulletin, Understanding Your Telephone Bill, at <http://www.fcc.gov/cgb/consumerfacts/understanding.html>.
- Beginning February 17, 2009, all television broadcasts will be digital. People with older analog TV sets and without cable or satellite service can buy a converter box to continue receiving service. For help in purchasing a box, apply for a coupon worth up to \$40 at <https://www.dtv2009.gov/> or by calling toll-free 1-888-DTV-2009.
- Access Consumer Alerts issued by the Michigan Attorney General and learn about key Michigan consumer laws at [www.michigan.gov/ag](http://www.michigan.gov/ag).

Note: Phone numbers and website addresses are subject to change.



Click on the book to access the newly revised **Consumer Protection Resource Guide**, or contact my office for a print copy. This book has everything you need to know about consumer rights and Michigan law: how to protect yourself from consumer fraud and how to take legal action.